



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 9
AGENDA DATE: Thu 06/24/2004
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SUBJECT: Approve an ordinance authorizing the City Manager to negotiate and execute an Economic Development Agreement and creating an economic development program for a proposed Home Depot Data Center to be located at 1300 Park Center Drive, Austin, Texas; providing for economic incentives for a period of 10 years, consisting of rebate of 100% of personal property tax on business equipment, and rebate of real property tax on the increase in value after purchase of the facility and offering Austin Energy funding for certain electrical equipment. (Estimated incentives over a 10 year period is \$7,187,535.)

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Economic Growth and **DIRECTOR'S**
DEPARTMENT: Redevelopment Services **AUTHORIZATION:** Sue Edwards

FOR MORE INFORMATION CONTACT: Sue Edwards, Director, Economic Growth and Redevelopment Services

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

The Economic Growth and Redevelopment Services Department recommends approval of the proposed ordinance in order to attract a Home Depot Data Center to the City, bringing an estimated 500 permanent jobs when the facility is fully operational.

The project specifications indicate that The Home Depot will be investigating more than \$200 million over the first five years in the data center, with an additional \$198 million in purchases over the next five years of the project. The investment in the first five years includes \$17 million in building and finish out and \$189 million in personal property (equipment), some of which will be relocated to Austin from its current location and some of which will be purchased after the relocation.